

1 GOLDBERG, STINNETT, DAVIS & LINCHEY
2 A Professional Corporation
3 DENNIS D. DAVIS, ESQ. CA Bar #070591
4 44 Montgomery Street, Suite 2900
5 San Francisco, CA 94104
6 Telephone: (415) 362-5045
7 Facsimile: (415) 362-2392

8 Attorneys for Plaintiff E. Lynn Schoenmann, Trustee

9
10 IN THE U.S. BANKRUPTCY APPELLATE PANEL
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 In re:

14 ASHOK GUJRAL,
15 Debtor.

Case No. 09-30031-TEC

Chapter 7

16 E. LYNN SCHOENMANN, Trustee,

A.P. No. 10-03038

17 Plaintiff,

18 vs.

19 BEN HAMBURG and HAMBURG LAW
20 CORPORATION,

Defendants.

21
22 **PLAINTIFF'S INITIAL DISCLOSURES AND DISCOVERY PLAN**

23 Plaintiff E. Lynn Schoenmann, Trustee, hereby makes the following disclosures pursuant to
24 Rule 26.

25 **A. The name and, if known, the address and telephone numbers of each individual**
26 **likely to have discoverable information relevant to disputed facts alleged with particularity in**
27 **the pleadings, identifying the subjects of the information.**

28 ///

1 Response:

- 2 1. Ben Hamburg, 2625 Alcatraz Avenue, #500, Berkeley, CA 94705: should
3 have knowledge concerning the allegations of paragraphs 7 through 11 of the
4 complaint.
- 5 2. Ashok Gujral, 155 San Anselmo Avenue, San Francisco, CA: has knowledge
6 concerning the allegations of paragraphs 5 through 11 of the complaint.
- 7 3. Rajiv Gujral, 17 Rockridge Road, Hillsborough, CA: should have knowledge
8 concerning the allegations of paragraphs 5 through 11 of the complaint.

9 **B. A copy of, or a description by category and location of, all documents, data**
10 **compilations, and tangible things in the possession, custody, or control of the party that are**
11 **relevant to the disputed facts alleged with particularity in the pleadings:**

12 Response:

- 13 1. Letter from Hamburg to Dennis Davis dated March 2, 2010 (exhibit A);
14 2. Debit Transaction Form dated April 2, 2009 (Exhibit B);
15 3. Ashok Gujral check to First National Bank for \$29,500 dated 6/17/09 (Exhibit C);
16 4. Email string among Mike Huber, Ash Gujral and Ben Hamburg dated March 25 and
17 26, 2009 (Exhibit D);
18 5. Debtor's testimony concerning PFG during Section 341 meeting, Rule 2004 exam and
19 deposition (Exhibit E);
20 6. PFG's account statements for account 6300174 at First National Bank, for 2009
21 (Exhibit F).

22 **C. A computation of any category of damages claimed by the disclosing party,**
23 **making available for inspection and copying as under Rule 34 the documents or other**
24 **evidentiary material, not privileged or protected from disclosure, on which such computation is**
25 **based, including material bearing on the nature and extent of the injury suffered.**

26 Response: None other than as set forth in complaint.

27 **D. For inspection and copying as under Rule 34 any insurance agreement under**
28 **which any person carrying on an insurance business may be liable to satisfy part or all of the**

1 **judgment which may be entered in the action or to indemnify or reimburse for payments to**
2 **satisfy the judgment:**

3 Response: No insurance coverage is known to the trustee.

4 **E. Plaintiff's Discovery Plan:**

5 Plaintiff believes that there may be other transfers to defendants that were not disclosed by debtor or
6 by defendants. Plaintiff will submit a set of requests for production to defendants requesting relevant
7 documents. After these documents have been produced, plaintiff will conduct depositions of Mr.
8 Hamburg, Rajiv Gujral and any other witnesses whose identities are disclosed in the documents and
9 who the trustee believes has relevant information.

10

11 DATED: April 23, 2010

12 **GOLDBERG, STINNETT, DAVIS & LINCHY**
A Professional Corporation

13

14 By /s/ Dennis D. Davis
Dennis D. Davis
Attorneys for Plaintiff E. Lynn Schoenmann,
Trustee

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HAMBURG LAW CORPORATION

2625 ALCATRAZ AVENUE, #500
BERKELEY, CALIFORNIA 94705
TEL: (510) 985-2600
FAX: (510) 985-2666
WWW.HAMBURGLAWCORP.COM

BEN HAMBURG
BEN@HAMBURGLAWCORP.COM

March 2, 2010

VIA EMAIL -- ddavis@gsdllaw.com

Dennis Davis, Esq.
Goldberg, Stinnett, Davis & Linchey
44 Montgomery Street, Suite 2900
San Francisco, CA 94104

Re: Ashok Gujral, Debtor, Case No. 09-30031

Dear Dennis:

I am writing to follow-up on our telephone conversation of March 1, 2010, and also to address some of the matters raised in your March 1 letter to Michael Sweet, which Michael forwarded to me.

I understand from our telephone conversation and your letter that you are concerned about financial dealings of Preferred Financial Group, Inc. ("PFG"), an entity whose stock is owned 50% by the debtor and 50% by Rajiv Gujral, his brother. There is no dispute that the debtor's 50% stock interest in PFG is property of his bankruptcy estate. The assets of PFG are not now and never have been a part of the bankruptcy estate.

You have raised concerns about a \$25,000 First National Bank cashier's check, apparently funded through a PFG bank account on or about April 2, 2009. My records indicate receipt of a cashier's check in the amount of \$25,000 from Rajiv Gujral on or about April 7, 2009. You also raise concerns about a \$29,500 cashier's check that was issued out of a PFG account on or about June 17, 2009. My accounting records indicate that I received a \$29,500 cashier's check from Rajiv Gujral on or about June 23, 2009. I do not know if the checks I received came directly from a PFG account, were the result of shareholder distributions or amounts owed by PFG to Rajiv Gujral, or were from another account into which Rajiv Gujral might have deposited the cashier's checks about which you have inquired.

You have advised me that the Trustee will be seeking recoupment of the \$25,000 that was paid to me by Rajiv Gujral. I assume that your position will be the same with respect to the \$29,500 if that amount was drawn from a PFG account. Please advise on what basis the Trustee believes that she is entitled to any money paid to me, even if paid directly

from PFG, since Rajiv Gujral had authority as an officer and director of PFG to act on behalf of PFG.

I have not uncovered any legal theory requiring an attorney to disgorge amounts received from a client to anyone other than the client, and then only if there has been some fraud, misrepresentation or failure to provide services by the attorney that has caused damage to the client. Likewise, I am not aware of any legal authority requiring an attorney to disgorge amounts used in payment of legal services to anyone other than the client.

Even if Rajiv Gujral used funds from PFG to pay for services that I rendered at his request, the following facts establish that Mr. Gujral had the requisite authority to direct the use of funds of PFG:

1. PFG is a California corporation.
2. Rajiv Gujral is a 50% shareholder of PFG, an officer and director of PFG, and, apparently, is and was a person in charge of PFG's affairs. Ash Gujral owns the other 50% which is now property of his bankruptcy estate.
3. According to the bank statements attached to your letter, Rajiv Gujral was authorized to direct banking activities of PFG.
4. I received two cashier's checks from Rajiv Gujral with the directive that I was to use such funds to pay for legal services provided on behalf of his brother.
5. I was not and am not in possession of any information or legal authority that indicates that Rajiv Gujral was prohibited from paying me to provide services to his brother.
6. I utilized the funds provided by Rajiv Gujral as instructed and provided legal services to Ash Gujral.

Based on the foregoing, there appears to be no legal basis for a demand to return the \$25,000 or the \$29,500. I received the payments from Rajiv Gujral, not from Ash Gujral. The \$54,500 that I received, even if from PFG funds, was paid to me by a corporate officer of PFG who was authorized to act on PFG's behalf. Furthermore, even if the funds came from PFG, the amount paid to me represents substantially less than 50% of the funds that were in the PFG bank accounts. In this regard, according to your letter, \$568,488.01 was deposited into the PFG bank account on April 2, 2009. Since Rajiv Gujral owned 50% of the stock of PFG and was an authorized officer and director of PFG, he had a right to determine appropriate PFG expenditures.

Even if it could be demonstrated that Rajiv Gujral acted improperly in making any determinations regarding PFG funds, his payment of amounts to me for use in representing his brother has not caused any harm to the Trustee or the debtor's estate. I did nothing but provide legal services for which I was paid my regular hourly fee.

Please let me know if there are any questions about the above as I would prefer to discuss the matter with you on a professional-to-professional basis. As we discussed during our telephone conversation, if you convince me or the Court orders me to return the money obtained from Rajiv Gujral, I will do so, but at this time I do not understand the basis for any such request.

Sincerely,

HAMBURG LAW CORPORATION

/deemed signed by email transmission/

Ben Hamburg

DEBIT TRANSACTION FORM

NFC-58 rev 01/07

OSI
4000

ACCOUNT NAME Protege International Transit, Inc.
 DESCRIPTION PER PAUL GUNZER'S REQUEST
 ISSUED c/c # 266528
 PAYMENT TO HAMBURG, GERMANY
 CONTRA ENTRY c/c # 266528 CASH

PREPARED BY <u>P</u>	APPROVED BY <u>AM</u>
<input checked="" type="checkbox"/> CHECKING	<input type="checkbox"/> SAFE DEPOSIT BOX
<input type="checkbox"/> SAVINGS	<input type="checkbox"/> DEMAND DEPOSIT LOAN
<input type="checkbox"/> CD	<input type="checkbox"/> INDIVIDUAL RETIREMENT ACCOUNT
<input type="checkbox"/> HEALTH SAVINGS ACCOUNT	

TRAN CODE

1064

AMOUNT

25,000

+

25,000

-

50,000

INDIVIDUAL RETIREMENT ACCOUNT

HEALTH SAVINGS ACCOUNT

630017241899

5110000000:

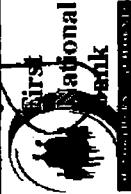
EXHIBIT "B"

NAME AsNok Guy Val

ACCOUNT NO. 630017221

DATE 6-17-09 80-118-10
1211

PAY TO THE ORDER OF
First National Bank
Twenty Nine thousand and four hundred only
\$29,500.00



FOR

112101891

EXHIBIT "C"

Scott Huber

From: Mike Huber [mhuber@huberlawfirm.com]
Sent: Thursday, March 26, 2009 8:46 AM
To: Scott Huber
Subject: FW: wire funds

Attachments: Wire Instructions--Trust Account.pdf

Michael Huber
Huber Law Firm, P.C.
8170 Highland Dr., Suite E5
Sandy, UT 84093
Tel (801) 733-4900

Confidentiality Notice. The information contained in and transmitted with this communication is strictly confidential, is intended only for the use of the intended recipient, and is the property of Michael Huber. If you are not the intended recipient, you are hereby notified that any use of the information contained in or transmitted with the communication or dissemination, distribution, or copying of this communication is strictly prohibited by law. If you have received this communication in error, please immediately return this communication to the sender and delete the original message and any copy of it in your possession.

From: Ben Hamburg [mailto:ben@hamburglawcorp.com]
Sent: Wednesday, March 25, 2009 10:37 PM
To: 'Ash Gujral'; 'Michael Huber'
Subject: RE: wire funds

Wire instructions attached.

Ben Hamburg
Hamburg Law Corporation
2625 Alcatraz Avenue, #500
Berkeley, CA 94705
Tel: (510) 985-2600
Fax: (510) 985-2666
www.hamburglawcorp.com
ben@hamburglawcorp.com

This email may contain confidential and attorney client privileged material and is for the sole use of the intended recipient. Any review, reliance or distribution by others is strictly prohibited. If you are not the intended recipient, please contact the sender and delete all copies. Thank you.

From: Ash Gujral [mailto:ash@westbayrealty.com]
Sent: Wednesday, March 25, 2009 8:14 PM
To: 'Michael Huber'
Cc: 'Ben Hamburg'
Subject: wire funds

Hi Michael,

Per our discussion - please wire \$35,000.00 to our counsel Ben Hamburg for legal services on behalf of Preferred Financial Group, Inc.

Ben will be forwarding to you his wire instructions.

Please contact me with any questions.

Regards,

Ash K. Gujral
Direct: (650) 616-1301
Private Fax: (650) 239-3696
Email: ash@wlioconnect.com

DML Does your wife own any property that is not listed on your schedules?

AG No.

DML Preferred Financial Group, Inc. – is that still operating?

AG It's dormant, there's no business, no activity.

DML And what was it?

AG It was a mortgage banking company.

AG It's represented by a gentleman down south – that goes by Gib Patner

DML You had a 50% ownership in that?

AG Yes.

DML Who else had an ownership in that?

AG My brother, Radgid Gujral.

DML How about PFG, Inc. Is that Operating?

AG That would be the same – it's a short version of Preferred Financial Group.

DML Okay. Payless Mortgage?

AG Payless Mortgage was a subsidiary of PFG.

DML Payless Realty -- same thing?

AG Yes.

DML Edgewood Ave. Development, LLC?

AG That's separate.

DML And is that operating?

AG No.

DML What was its business?

AG That was formulated for one project – Edgewood Ave. in San Francisco.

DML And what happened there?

1 Q. How many times?

2 A. Three.

3 Q. Let me just remind you of a couple things.

4 The court reporter is taking down what all of us say
5 here when we're on the record. And so if you could wait
6 until I finish my question before answering it, and I
7 will try to wait until you finish your answer before
8 asking you the next question.

9 Also, the court reporter can't take down body
10 language, shakes of the head and nods, so if you could
11 have all of your answers audible, that would be good for
12 the record.

13 A. Okay.

14 Q. What is your educational background?

15 A. I have two years of college, community
16 college, and two years of undergraduate school.

17 Q. And do you have any degrees?

18 A. Yes. Associate of science, hotel restaurant
19 management.

20 Q. And what has been your work history during the
21 past ten years?

22 A. Past ten years has been at Preferred Financial
23 Group.

24 Q. What kind of business does that entity do?

25 A. Mortgage banking.

- 1 Q. What was your position there?
- 2 A. Initially it was senior advisor, loan
3 consultant, and later in the years it was president.
- 4 Q. Did you have an ownership interest in that
5 company?
- 6 A. Yes.
- 7 Q. And what percentage was your ownership
8 interest?
- 9 A. 50 percent.
- 10 Q. Who owned the other 50 percent?
- 11 A. My brother.
- 12 Q. And what's his name?
- 13 A. Rajiv Gujral.
- 14 Q. Could you spell that?
- 15 A. R-a-j-i-v, G-u-j-r-a-l.
- 16 Q. And how long did that company operate?
- 17 A. We started in 1991, '92.
- 18 Q. And has it since ceased operation?
- 19 A. Yes.
- 20 Q. And when was that?
- 21 A. That was in December 2007 to January 2008.
- 22 Q. And are there any assets left in that company?
- 23 A. No.
- 24 Q. I just want to go through the list. What I
25 want to do is review the order for production today

1 during 2006?

2 A. During 2006, not that I can recall, no.

3 Q. What happened to the corporate records, bank
4 records of Preferred Financial Group?

5 A. I believe they are in storage in Burlingame.

6 Q. And in whose control are they under?

7 A. That would be my brother's.

8 Q. What's his position with Preferred Financial
9 Group, does he have an employee or officer position at
10 Preferred Financial Group?

11 A. He's vice president/secretary. I'm sorry. He
12 does have an officer position.

13 Q. I am asking for your best recollection. Vice
14 president and secretary, you believe?

15 A. Yes.

16 Q. And do you have access to those records?

17 A. I don't.

18 Q. Are you president of Preferred Financial
19 Group?

20 A. Yes.

21 Q. Why don't you have access to the records?

22 A. You mean if I can go there?

23 Q. Right.

24 A. I haven't attempted to do that. I'm sure I
25 could, but I'd have to find information from him

1 Q. That was out of business by 2008, wasn't it?

2 A. It's out of business, but it hasn't -- dormant.

3 Q. Did any company that you did business with have
4 the name Preferred that did any business in 2008 other
5 than the LLC?

6 A. I don't believe so.

7 Q. Preferred Group was dormant and did no business
8 in 2008?

9 A. Preferred Financial Group.

10 Q. Is that your testimony? Preferred Financial
11 Group had no business activity in 2008; correct?

12 A. Yeah.

13 Q. Did the Preferred LLC maintain any accounting of
14 monies that it paid to you?

15 MR. SWEET: Referring to Preferred Asset, LLC?

16 MR. DAVIS: Yes.

17 THE WITNESS: I believe so.

18 MR. DAVIS: Q. Have you produced all of those
19 to the trustee?

20 A. I have produced all the documentation I have to
21 our counsel.

22 Q. Have you done 2008 tax returns yet?

23 A. Not yet.

24 Q. They haven't been prepared?

25 A. They have not been prepared.

BBA 63001724

BBA SYSTEM STATEMENTS(2009)

14 PAGES

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 12/31/2009

*****AUTO**SCH 5-DIGIT 94010
91 0.4630 AV 0.335 1 1 91

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630
BURLINGAME CA 94010-1823

30-0
0
0

CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

IMPORTANT NOTICE:

BEGINNING JANUARY 9, 2010, OUR PORTOLA BRANCH WILL BE CLOSED ON
SATURDAYS. THE NEW PORTOLA BRANCH BUSINESS HOURS WILL BE M-TH 9-5PM AND
FRIDAY 9-6.

BUSINESS FIRST ACCOUNT 63001724

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			11/30/09	150.20
Ecorp Fee MAINTENANCE	10.00		12/18/09	140.20
SERVICE CHARGE	12.00		12/31/09	128.20
BALANCE THIS STATEMENT			12/31/09	128.20
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		140.20
TOTAL DEBITS (2)	22.00	AVG AVAILABLE BALANCE		145.68
		AVERAGE BALANCE		145.68

EXHIBIT E

PAGE: 1
ACCOUNT: 63001724 11/30/2009
DOCUMENTS: 0

*****AUTO**SCH 5-DIGIT 94010
85 0.4630 AV 0.335 1 1 85

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630 30-0
BURLINGAME CA 94010-1823 0
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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

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FRIDAY 9-6.

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BUSINESS FIRST ACCOUNT 63001724

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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			10/30/09	16.00
DEPOSIT	37,662.20		11/02/09	37,678.20
FOR C/C #1168 PAYABLE TO PFGI FOR \$37,500 & C/C FEE OF \$6.00 PER RAJIV'S RE	37,506.00		11/03/09	172.20
Ecorp Fee MAINTENANCE	10.00		11/18/09	162.20
SERVICE CHARGE	12.00		11/30/09	150.20
BALANCE THIS STATEMENT			11/30/09	150.20
TOTAL CREDITS (1)	37,662.20	MINIMUM BALANCE		162.20
TOTAL DEBITS (3)	37,528.00	AVG AVAILABLE BALANCE		1,367.80
		AVERAGE BALANCE		1,367.80

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 1 10/30/2009

*****AUTO**SCH 5-DIGIT 94010
89 0.6570 AV 0.335 1 1 89

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630 30-0
BURLINGAME CA 94010-1823 0
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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080
=====

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BEGINNING JANUARY 9, 2010, OUR PORTOLA BRANCH WILL BE CLOSED ON
SATURDAYS. THE NEW PORTOLOA BRANCH BUSINESS HOURS WILL BE M-TH 9-5PM AND
FRIDAY 9-6.

=====
BUSINESS FIRST ACCOUNT 63001724
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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			09/30/09	56.00
MISCELLANEOUS DEBIT	18.00		10/02/09	38.00
Ecorp Fee MAINTENANCE	10.00		10/16/09	28.00
SERVICE CHARGE	12.00		10/30/09	16.00
BALANCE THIS STATEMENT			10/30/09	16.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		28.00
TOTAL DEBITS (3)	40.00	Avg Available Balance		33.60
		Average Balance		33.60

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 09/30/2009

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PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630
BURLINGAME CA 94010-1823

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

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BUSINESS FIRST ACCOUNT 63001724

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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			08/31/09	78.00
Ecorp Fee MAINTENANCE	10.00		09/18/09	68.00
SERVICE CHARGE	12.00		09/30/09	56.00
BALANCE THIS STATEMENT			09/30/09	56.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		68.00
TOTAL DEBITS (2)	22.00	Avg Available Balance		73.66
		Average Balance		73.66

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 08/31/2009

*****AUTO**SCH 5-DIGIT 94010
85 0.4630 AV 0.335 1 1 85

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630 30-0
BURLINGAME CA 94010-1823 0
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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

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BUSINESS FIRST ACCOUNT 63001724

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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			07/31/09	100.00
Ecorp Fee MAINTENANCE	10.00		08/18/09	90.00
SERVICE CHARGE	12.00		08/31/09	78.00
BALANCE THIS STATEMENT			08/31/09	78.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		90.00
TOTAL DEBITS (2)	22.00	AVG AVAILABLE BALANCE		95.48
		AVERAGE BALANCE		95.48

ACCOUNT:
DOCUMENTS:

PAGE: 1
63001724 07/31/2009
4

*****AUTO**SCH 5-DIGIT 94010
86 0.6560 AV 0.335 1 1 86

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630
BURLINGAME CA 94010-1823

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

=====
BUSINESS FIRST ACCOUNT 63001724
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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			06/30/09	296.33
DEPOSIT	127,497.06		07/01/09	127,793.39
CHECK	127,497.06		07/03/09	296.33
PHONE TRANSFER FROM ANOTHER ACCT		127,497.06	07/06/09	127,793.39
FOR C/C #1061/ \$60K, #1062/ \$3395.00, #1063/ \$2K, #1064/ \$250.00	65,645.00		07/06/09	62,148.39
FEE FOR C/C #1026 \$5000 AND #1027 \$19,397.89	12.00		07/08/09	62,136.39
FEE FOR C/C #1061 \$60K, #1062 \$3395.00 #1063 \$2K, #1064 \$250.00	24.00		07/08/09	62,112.39
CHECK	5,000.00		07/08/09	57,112.39
CHECK	19,397.89		07/08/09	37,714.50
Ecorp Fee MAINTENANCE	10.00		07/17/09	37,704.50
LEVY FEE	35.00		07/28/09	37,669.50
NOTICE OF LEVY UNDER WRIT OF EXECUTION FOR PLAINTIFF DOUGLAS EMMETT 1996,	15,200.57		07/28/09	22,468.93
CHECK	22,368.93		07/31/09	100.00
BALANCE THIS STATEMENT		07/31/09		100.00
TOTAL CREDITS (2)	254,994.12	MINIMUM BALANCE		100.00
TOTAL DEBITS (10)	255,190.45	AVG AVAILABLE BALANCE		38,789.01
		AVERAGE BALANCE		38,789.01

* * * C O N T I N U E D * * *

ACCOUNT: 63001724 PAGE: 2
DOCUMENTS: 4 07/31/2009

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP

=====
YOUR CHECKS SEQUENCED
=====

===== DATE...CHECK #.....AMOUNT DATE...CHECK #.....AMOUNT DATE...CHECK #.....AMOUNT

07/03	* 127,497.06	07/08	* 19,397.89
07/08	* 5,000.00	07/31	22,368.93

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

ACCOUNT:
DOCUMENTS:

PAGE: 1
63001724 06/30/2009
1

*****AUTO**SCH 5-DIGIT 94010
88 0.6570 AV 0.335 1 1 88

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630
BURLINGAME CA 94010-1823

30-0
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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

BUSINESS FIRST ACCOUNT 63001724

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			05/29/09	51.25
DEPOSIT	29,767.08		06/17/09	29,818.33
CHECK	29,500.00		06/17/09	318.33
Ecorp Fee MAINTENANCE	10.00		06/18/09	308.33
SERVICE CHARGE	12.00		06/30/09	296.33
BALANCE THIS STATEMENT			06/30/09	296.33
TOTAL CREDITS (1)	29,767.08	MINIMUM BALANCE		51.25
TOTAL DEBITS (3)	29,522.00	AVG AVAILABLE BALANCE		164.03
		AVERAGE BALANCE		164.03

YOUR CHECKS SEQUENCED

DATE...CHECK #....AMOUNT DATE...CHECK #....AMOUNT DATE...CHECK #....AMOUNT

06/17 29,500.00

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 05/29/2009

*****AUTO**SCH 5-DIGIT 94010
83 0.4630 AV 0.335 1 1 83

PREFERRED FINANCIAL GROUP INC
C/O: ROCKRIDGE LENDING GROUP
1350 BAYSHORE HWY, STE #630 30-0
BURLINGAME CA 94010-1823 0
0

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

=====
BUSINESS FIRST ACCOUNT 63001724
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DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			04/30/09	73.25
Ecorp Fee MAINTENANCE	10.00		05/18/09	63.25
SERVICE CHARGE	12.00		05/29/09	51.25
BALANCE THIS STATEMENT			05/29/09	51.25
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		63.25
TOTAL DEBITS (2)	22.00	Avg Available Balance		69.11
		Average Balance		69.11

PAGE: 1
ACCOUNT: 63001724 04/30/2009
DOCUMENTS: 3

*****AUTO**SCH 5-DIGIT 94010
84 0.6560 AV 0.324 1 1 84

PREFERRED FINANCIAL GROUP INC
1350 BAYSHORE HWY, STE #630
BURLINGAME CA 94010-1823

30-0
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3

CORPORATE BANKING
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

TELEPHONE: 650-875-4826

ANALYSIS CHECKING ACCOUNT 63001724

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			03/31/09	10.00
INCOMING WIRE FROM COTA COLE & ASSOCIATE	568,488.01		04/02/09	568,498.01
ISSUED C/C #266528 PAYABLE TO HAMBURG LAW (PER RAJIV GUJRAL'S REQUEST)	25,000.00		04/02/09	543,498.01
PAYOUT LOAN #118174 (PER RAJIV GUJRAL'S REQUEST)	122,456.02		04/02/09	421,041.99
TRANSFER TO RAJIV GUJRAL'S DDA ****1651 (PER RAJIV'S REQUEST)	421,031.99		04/02/09	10.00
DEPOSIT		3,183.25	04/07/09	3,193.25
C/C 266552 \$500 TO HARI RAJAGOPALAN C/C 266553-266557 \$500 EA TO PFGI PER R	3,000.00		04/09/09	193.25
DEPOSIT		1,000.00	04/14/09	1,193.25
DEPOSIT		1,500.00	04/15/09	2,693.25
CHECK	320.00		04/15/09	2,373.25
CHECK	800.00		04/15/09	1,573.25
CHECK # 999	1,500.00		04/15/09	73.25
BALANCE THIS STATEMENT		04/30/09		73.25
TOTAL CREDITS (4)	574,171.26	MINIMUM BALANCE		10.00
TOTAL DEBITS (7)	574,108.01	AVG AVAILABLE BALANCE		325.93
		AVERAGE BALANCE		325.93

* * * C O N T I N U E D * * *

ACCOUNT: 63001724 PAGE: 2
DOCUMENTS: 3 04/30/2009

PREFERRED FINANCIAL GROUP INC

===== YOUR CHECKS SEQUENCED =====

DATE...	CHECK #....	AMOUNT	DATE...	CHECK #....	AMOUNT	DATE...	CHECK #....	AMOUNT
04/15	*	320.00	04/15	*	800.00	04/15	999	1,500.00

(*) INDICATES A GAP IN CHECK NUMBER SEQUENCE

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 03/31/2009

*****AUTO**SCH 5-DIGIT 94010
157 0.4630 AV 0.324 1 2 21

PREFERRED FINANCIAL GROUP INC
PO BOX 4408
BURLINGAME CA 94011-4408

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

ANALYSIS CHECKING ACCOUNT 63001724

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			02/27/09	10.00
BALANCE THIS STATEMENT			03/31/09	10.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		10.00
TOTAL DEBITS (0)	.00	AVG AVAILABLE BALANCE		10.00
		AVERAGE BALANCE		10.00

PAGE: 1
ACCOUNT: 63001724 02/27/2009
DOCUMENTS: 0

*****AUTO**SCH 5-DIGIT 94010
181 0.4630 AV 0.324 1 2 24

PREFERRED FINANCIAL GROUP INC
PO BOX 4408
BURLINGAME CA 94011-4408

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

===== ANALYSIS CHECKING ACCOUNT 63001724 =====

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			01/30/09	10.00
BALANCE THIS STATEMENT			02/27/09	10.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		10.00
TOTAL DEBITS (0)	.00	AVG AVAILABLE BALANCE		10.00
		AVERAGE BALANCE		10.00

ACCOUNT: 63001724 PAGE: 1
DOCUMENTS: 0 01/30/2009

*****AUTO**SCH 5-DIGIT 94010
154 0.4630 AV 0.324 1 2 22

PREFERRED FINANCIAL GROUP INC
PO BOX 4408
BURLINGAME CA 94011-4408

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CORPORATE BANKING TELEPHONE: 650-875-4826
975 EL CAMINO REAL
SOUTH SAN FRANCISCO, CA 94080

===== ANALYSIS CHECKING ACCOUNT 63001724 =====

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			12/31/08	10.00
BALANCE THIS STATEMENT			01/30/09	10.00
TOTAL CREDITS (0)	.00	MINIMUM BALANCE		10.00
TOTAL DEBITS (0)	.00	AVG AVAILABLE BALANCE		10.00
		AVERAGE BALANCE		10.00